MOHAN): (a) to (c) Indian Drugs & Pharmaceuticals Limited (IDPL) had been incurring heavy cash losses over the years and it had acute shortage of working capital and funds for payment to pressing creditors for supplies and services, statutory payments, wage bills, overdue electricity bills, bank interest etc. The company management had no alternative but to temporarily fund a part of the cash losses by using the Plan funds. It would be recouped once the capital restructuring of the company is approved. Despite the continuing severe constraints of working capital, even the temporary use of Plan funds for meeting cash losses without appropriate approvals, has been discontinued. There was no malafide intention on the part of the management and therefore, action against individual officers is not proposed to be taken at this stage.

Fixation of common sale prices of drugs

3591. SHRI H. HANUMANTHAPPA:
SHRI RAJNI RANJAN SAHU:
SHRIMATI SATYA BAHIN:

Will the PRIME MINISTER be pleased to state:

(a) whether the system of fixing pooled/common sale price and retention for each producers along with the pooled/common sale price have been abolished under DPCO, 1987;

(b) whether it is a fact that the money collected under DPEA is being misused;

(c) whether legal department has objected to one sided paragraphs/clauses in the DPCO, 1987; and

(d) if so, what remedial action has been taken by his Ministry in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir.

(b) to (d) The money available into the DPEA would be used for the specified purposes mentioned in para 17 (2) of DPCO, 1979. There is no question of this amount being misutilised. As per para 14(2) of DPCO, 1987, the existing amount, if any, in the DPEA on or before the date of commencement of this order, and the amount deposited under sub-paragraph 14(1), shall be used for the purposes stipulated in DPCO, 1979. As per para 14(1) of DPCO, 1987 the government may require the manufacturer/importer/distributor, as the case may be, to deposit the amount which has accrued on account of the actions under DPCO, 1979, on or before the commencement of this order into the DPEA. So far, to the extent information is available, there is no legal controversy in regard to utilisation of amount already deposited, to be deposited into the DPEA.

Losses incurred by Fertilizers and Chemicals Travancore Limited

3592. SHRIMATI VEENA VERMA: Will the PRIME MINISTER be pleased to state:

(a) whether Fertilizers and Chemicals Travancore Limited has for the first time, incurred a gross loss over Rs. 3.13 crores in the first six months of the current year;

(b) if so, what is the net estimated loss suffered this year after making the allowance for depreciation etc.;

(c) the reasons therefor; and

(d) the steps being taken to avert the loss and to make good the same during the rest of the year?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) In the first six months of the current financial year 1992-93, Fertilizers and Chemicals Travancore Ltd. (FACT) have provisionally shown a loss of Rs. 24.78 crores after providing for depreciation of Rs. 21.45 crores. By the end of